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Central Intelligence Agency

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Washington, D. C. 20505

## DIRECTORATE OF INTELLIGENCE 25 August 1987

Prospects for Nicaraguan Compliance with Peace Plan Summary

The Sandinistas, in our opinion, will be able to meet or finesse the demands of the Central American peace plan signed on 7 August without endangering their political control. They probably believe the plan accomplishes Managua's main goal of complicating, if not dooming, prospects for US funding of the rebels and see such a cutoff of US support, coupled with the guerrillas' exclusion from any peace talks, as a fatal blow to the insurgency. As part of their early strategy, the Sandinistas claim their constitution and amnesty law already guarantee most of the political rights called for in the peace plan, and they have begun forming the prescribed National Reconciliation Commission to oversee implementation of the plan. believe, however, the Sandinistas will try to avoid granting the internal opposition full political rights --especially freedom to reopen the independent daily La Prensa and hold public demonstrations -- and are maneuvering to stack the Commission with sympathizers willing to accept cosmetic reforms or regime excuses for noncompliance. If confronted with strong internal and foreign pressure, the Sandinistas may make some tactical concessions to the opposition, but they would do so confident that their grip on society ensures their ultimate control.

This typescript was prepared by Middle America-25X1 Caribbean Division, Office of African and Latin American Analysis. This paper was coordinated with the Directorate of Operations. Comments and queries are welcome and may be directed to the Chief, Middle America-Caribbean Division, ALA 25X1 25X1 ALA M 87-20052 25X1 SECRET

The Sandinistas appear pleased with the results of the Guatemala peace talks. They probably believe the peace plan is a serious, if not fatal, setback to the prospects for continued US funding of the insurgents—a central goal of Sandinista foreign policy during the past five years. The regime has fully endorsed the plan and given prominent media attention to steps taken toward implementation, such as issuance of formal invitations to the Catholic Church and political opposition to prepare their slates of nominees for the National Reconciliation Commission. Managua probably believes that such actions strengthen its international image, while its propaganda continues to portray the United States as advocating only a military solution to Central America's problems.

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#### Comfortable with Most Provisions

Sandinista statements thus far have cast the regime as willing to comply with the Guatemala accord. Regime leaders claim that Nicaragua's democratization process began with the Sandinista revolution eight years ago and that political rights are guaranteed by the constitution promulgated last January. They say the state of emergency suspending those guarantees will be lifted once US support for the insurgents ends. They add that the presidential and National Assembly elections in 1984 were certified by international observers to be free and open, and point out that the only parties not in the contest withdrew unilaterally. The Sandinistas cite an amnesty program begun in January 1985, which they claim thousands of former rebels and collaborators have already embraced, as proof of their willingness to allow the insurgents back into civilian life.

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Managua probably is willing to accept a cease-fire with a simultaneous cutoff of all external aid to the insurgents and an end to rebel use of foreign territory. The regime has long believed that the rebels will be unable to sustain significant military operations without US military assistance and Honduran cooperation in providing logistics and safehaven.

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the government has been unable to make significant progress against the insurgents on the battlefield during the past seven months, finding its military capabilities increasingly strained as the rebels have expanded their areas of operation while adopting small-unit guerrilla tactics. The war is also seriously taxing the economy by consuming about 60 percent of the government budget and more than half of Nicaragua's oil. As a result, government strategists probably welcome a cease-fire to end the conflict.

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For more information on the peace plan signed at the summit, see Annex 1, Major Provisions of Central American Peace Plan.

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Compliance with the peace plan's demand for an end Sandinista material support to the Salvadoran guerrilla short term at least, probably will be relatively easy for Managua.	s. in the
Finessing Tougher Measures	
Sandinista claims of democratization notwithstanding regime is likely to seek ways of avoiding implementation sweeping political freedoms stipulated in the peace planth the Sandinistasincreasing concerned about their eroding popular base in recent year loath to allow the reopening of the main opposition news	n of the n. 25X1
La Prensa, especially without prior censorship. The reglong record of harassing opposition parties strongly sugis equally reluctant to allow them full freedom of organ and assembly.	gime's ggests it nization 25X1
The Sandinistas probably are confident they will be manipulate the National Reconciliation Commission. According to the peace plan, the regime forms the commission by choose government representative, one "notable citizen" outside ruling party, one person from a list of three nominated opposition parties, and one of three nominated by the Church. The US Embassy in Managua reports that antireging politicians and Church leaders fear that Sandinista peneand pressure against their organizations could render the Commission useless. Five of the opposition parties have three strongly antiregime candidates, but five other "independent" parties actually favor the Sandinistas and boycotted the selection process, according to the US Embassion three probably will instruct its allies to demand representation on the existing slate or threaten to submown three candidates directly to the government by the don Thursday, 27 August. The Church has nominated Cardin y Bravo and his top aide-both sure to follow a hardline and a US-born bishop who, in our view, may be more sympathe regime. Combined with the two Commission seats directored the other two seats would significantly decrease	ording to sing one ethe by Catholic me etrations as approved thave bassy.  The their leadline al Obando etack  thetic to actly one or
for authentic political reforms.  The Sandinistas are probably heartened also by the weak international verification provisions of the peace	25X1
Most members of the International Verification Commissio	pran. nwhich

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For an overview of the opposition parties, see Annex 2, Opposition Political Parties.

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The peace plan's mandate for full respect of each country's constitution and political system, the bar on all outside interference, and the regionwide application also could diminish pressure for reforms. A demand by the Nicaraguan opposition for earlier national elections, for example, could be rejected on grounds that the schedule is already set by the Nicaraguan constitution. If confronted with growing pressure to grant the opposition more access to the political process, the Sandinistas may counterattack by charging that La Prensa, the opposition parties, and the Church hierarchy are receiving US covert funding and are therefore in violation of the treaty prohibitions on outside intervention. As a means of justifying its own noncompliance, the regime also could allege that other signatories to the pact, such as Honduras, are not complying with their obligation to deny armed rebels safehaven. If scattered bands of insurgents continued operating in the mountains after a cutoff of US aid, the government probably would argue it also could violate the cease-fire.

## Maintaining Firm Hold

The Sandinistas probably will make some goodwill gestures-albeit hollow ones--toward the opposition, mostly to build a favorable international image. 7

They may also offer, for example, to permit reopening of the Church radio station, Radio Catolica, but they probably will make the issue part of a long, contentious negotiating process intended to wear down Church leaders and will in all likelihood reject a Church request that the radio's exiled director, Monsignor Bismarck Carballo, be allowed to return. In the political realm, the Sandinistas may offer opposition leaders limited access to government-controlled media or even allow them to open their own, confident that the costs and licensing procedures would severely tax the already weakened parties.

Even if international pressure forced the regime to make significant concessions to the opposition, we believe the Sandinistas' grip on power would remain firm. Although US Embassy reporting indicates that regime opponents in Managua will try to take full advantage of any freedoms resulting from the

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peace plan, personal and ideological disputes among opposition leaders probably preclude a sustained, effective political action program in the near future. Over the past eight years, moreover, the Sandinistas have built a formidable propaganda and security apparatus to harass opponents and discourage potential dissenters from joining the struggle. A Sandinista official told the US Embassy that the regime will launch an intense smear campaign against domestic opponents and use "dirty tricks and set-ups" to intimidate them. If the state of emergency is lifted, for example, the Interior Ministry could use Sandinista-controlled mobs under the guise of spontaneous counterdemonstrations to break up opposition rallies. Detention on trumped-up charges and other subtle ways of harassing political organizers would almost surely have an additional dampening effect.

#### Annex 1:

## MAJOR PROVISIONS OF CENTRAL AMERICAN PEACE PLAN

#### Cease-fire

Must be consistent with each country's "constitutional framework." No provision for direct talks with rebels. Takes place within 90 days (7 November).

## External Aid to Insurgents

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Governments request cutoff of aid to rebel forces and pledge to prevent rebel use of their territory. Only aid for repatriation or relocation permitted. Within 90 days.

## Amnesty

Governments implement amnesty programs. Rebels must release prisoners. Within 90 days.

#### Democratization

Governments end states of siege or emergency, implement "broad, democratic, and pluralist" reforms, while choosing own economic and political system without foreign interference. Opposition permitted unrestricted access to mass media without prior censorship, right to organize and hold public demonstrations. Within 90 days.

#### Free Elections

In accordance with each country's constitution, governments hold free elections "once the conditions that characterize a democracy have been established." Hold Central American Parliament elections by July 1988, with municipal, legislative, and presidential elections later. Oversight by International Verification Commission.

#### Arms Control

Security and verification agreements to be negotiated with Contadora mediation. To include measures on disarming rebels. No deadline stipulated.

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## National Reconciliation Commission

Governments facing insurgencies form four-member commissions to verify compliance with accord. Government chooses one representative from government, one "notable citizen," one of three persons nominated by Catholic Church, and one of three persons nominated by legal opposition parties. Within 20 days (27 August).

## International Verification

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Commission consisting of OAS and UN Secretaries General and Foreign Ministers of Central American, Contadora, and Support Group countries. To report on progress toward implementation within 120 days to Central American presidents, who will meet within additional 30 days. No sanctions stipulated for violations of agreement.

#### Annex 2:

## NICARAGUAN OPPOSITION POLITICAL PARTIES

Democratic Coordinating Board. Also called the Coordinadora. Main opposition coalition. Also includes business and labor groups. Plagued by internal disputes, lack of charismatic leadership, and hemmed in by the expanded state of emergency decreed in October 1985. Parties in Coordinadora have no seats in National Assembly because they boycotted 1984 elections.

## Social Christian Party (PSC)

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Led by Erick Ramirez. Most active opposition party during past two years. Slowly recovering from infighting over strategy and power. Ties with Christian Democratic parties in Europe. At times has bucked Coordinadora leadership on tactics. Legal status suspended because of 1984 election boycott, restored by Sandinistas in apparent effort to curry party favor.

## Conservative Party of Nicaragua (PCN)

Main faction led by Mario Rappaccioli. Relatively inactive. Splinter faction led by outspoken Myriam Arguello, which broke away in 1985, also member of Coordinadora. Each faction preoccupied with attacking other. Was largest opposition party under Somoza.

## Social Democratic Party (PSD)

Led by Guillermo Potoy. Organized in 1979 and has unsuccessfully sought membership in Socialist International. Has active youth group. Self-exile of former party President Luis Rivas in 1986 was major blow. Activity decreasing.

# Constitutionalist Liberal Party (PLC)

Led by Jose Ernesto Somarriba. Smallest and least influential of Coordinadora parties. Little popular following.

Parties Cooperating with Coordinadora. Although not allied with Coordinadora, several parties have participated in antiregime activities it has planned. Most leaders cooperated with the Sandinistas in early years of regime but have since become vocal critics. These parties control 14 of the 96 seats in the National Assembly.

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## Independent Liberal Party (PLI)

Led by Virgilio Godoy, former Sandinista Minister of Labor. Left-of-center democratic party allied with regime from 1980 until early 1984. Sometimes plans antigovernment activities with *Coordinadora*. Holds nine seats in National Assembly.

## Popular Social Christian Party (PPSC)

Led by Mauricio Diaz. Relatively minor party. Left-of-center democratic orientation, founded in 1976. Previously supported regime. Disagreements with Sandinista agenda have intensified in recent years, but leadership hesitates to take confrontational action. Holds six seats in National Assembly.

## Conservative Democratic Party (PCD)/"Unofficial Faction"

Democratic faction of PCD. Former members of PCN. Ignored Coordinadora boycott of 1984 elections. Led by Enrique Sotelo, a National Assembly member and human rights advocate. (Another PCD faction led by Rafael Cordova-Rivas, a Sandinista collaborator. Third group directed by Clemente Guido, who cooperated with regime until dispute over constitution last January.)

## Liberal Party (PALI)

New party founded by Andres Zuniga, ousted head of privatesector professional association. Outside *Coordinadora*, but probably tends to support its activities. Little apparent success in forming alliances to build political base.

# Central American Unionist Party (PUCA)

Self-proclaimed centrist party. Virtually inactive. Attended *Coordinadora*-led meeting to choose nominees for National Reconciliation Commission.

Parties Generally Sympathetic to Sandinistas. Although critical of some Sandinista actions, four political parties generally support the regime and oppose *Coordinadora* efforts to challenge the Sandinistas. These parties hold 20 of the 96 seats in the National Assembly.

# Democratic Conservative Party (PCD)/Cordova-Rivas Faction

Led by former Sandinista junta member Rafael Cordova-Rivas. Apparently under direct regime influence, which guarantees faction's "official" recognition despite diminutive size. Has small antiregime faction. Holds 14 seats in National Assembly.

Popular Action Movement--Marxist-Leninist (MAP-ML) Led by Isidro Tellez. Small, ultraleftist party. Critical of regime for moving too slowly toward Communism. Two seats in National Assembly.

# Communist Party of Nicaragua (PCdeN)

Led by Eli Altamirano. Hardline Communist party ideologically similar to MAP-ML. Two seats in National Assembly.

## Nicaraguan Socialist Party (PSN)

Led by Gustavo Tablada. Traditional Moscow-line Communist party. Allied with regime from 1980 to 1984. Occasionally critical of Sandinista repression. Two seats in National Assembly.

# Revolutionary Workers' Party (PRT)

Minor party. Opposes peace plan because it forbids Sandinista export of revolution.

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# Schedule for the Central American Peace Agreement \*

## Signature (7 August 1987)

 Governments appeal to regional states with insurgencies to reach agreement ending hostilities.

## 15 Days (22 August 1987)

 Central American Foreign Ministers met in San Salvador as Executive Committee to regulate compliance and organize working committees.

## 20 Days (27 August 1987)

- National Reconciliation Committees to be formed.

#### 90 Days (7 November 1987)

- Cease-fires take place.
- Governments prevent use of their territories by insurgents and request cutoff of external aid to rebels.
- Governments grant amnesty; rebels release prisoners.
- Democratization provisions take effect, including political freedoms, press freedom, and ending of state-of-siege restrictions.

## 120 Days (7 December 1987)

 International Verification and Follow-up Commission analyzes progress made in fulfillment of agreement.

#### 150 Days (7 January 1988)

 Central American Presidents meet to discuss the report of the Verification Commission.

## By First Semester 1988 (30 June 1988)

- Simultaneous elections for the Central American parliament, with international observation.

## No Time Periods Given

- Arms control talks begin with Contadora mediation.
- Time frame for duration of the agreement.

<sup>\*</sup> Approximate dates.



SUBJECT: PROSPECTS FOR NICARAGUAN COMPLIANCE WITH PEACE PLAN 25 August 1987

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